

To the Members of the California State Assembly:

I am returning Assembly Bill 338 without my signature.

This bill would eliminate voter approval requirements for the creation of an Infrastructure Financing District (IFD) and the issuance of tax allocation bonds by an IFD. In doing so, this measure would undermine the rights of voters to approve or reject proposals to redirect their tax dollars and incur public debt. Unlike the creation of a redevelopment plan, the creation of an IFD is not conditioned upon a finding of blight, or upon any other statutory or constitutional restraints other than strict voter approval requirements. As such, elections are the sole basis of public input and fiscal discipline in the creation of an IFD, and it is necessary to require voter approval.

For this reason I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger